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FLOOR DEBATE

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SENATOR SCHROCK: I understand that.

SENATOR CUDABACK: Thank you, Senator Schrock. Senator Raikes, followed by Senator Kopplin and others. Senator.

SENATOR RAIKES: Thank you, Mr. President, members. My questions, I think, relate more generally to the procedure rather than specific local governments, like NRDs. And I see Senator Flood is busy at the moment, but I will ask him a couple of questions, if I may.

SENATOR CUDABACK: You may. Senator Flood, would you respond?

SENATOR FLOOD: Yes.

SENATOR RAIKES: Senator, this is, in effect, a proposal that allows a bond to be issued without a vote of the people and that is outside the levy limits. Is that correct?

SENATOR FLOOD: No, I believe that any bond issue is subject to the lid and levy limits right now. I mean for a city of the first class, 45 cents for a city that size, and an additional 5 cents for any interlocal agreement. You're still subject to the regular restrictions, lid and levy restrictions, and under this you're also restricted to your...your annual debt service can be not more than 5 percent of your restricted funds. So there are some protections built in.

SENATOR RAIKES: Okay. So for...I was thinking of it in terms of a school district. So with a school district, if they were to participate, say, with another school district or with a city or county, then you're saying that any amount of money that they use to support this bonding would have to come from within the levy lid? It would have to be under the \$1.05 lid?

SENATOR FLOOD: They cannot increase their property taxes in order to pay for this, no.

SENATOR RAIKES: Okay.